

Kwas, J. RR

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

TRUSTEES OF THE POLICE AND FIRE
RETIREMENT SYSTEM OF THE CITY OF
DETROIT, Derivatively on Behalf of MBIA INC.,

Plaintiffs,

-against-

DAVID C. CLAPP, GARY C. DUNTON, CLAIRE
L. GAUDIANI, DANIEL P. KEARNEY,
LAURENCE MEYER, DAVID M. MOFFETT,
DEBRA J. PERRY, JOHN A. ROLLS, RICHARD
C. VAUGHAN, RICHARD H. WALKER,
JEFFREY W. YABUKI,

Defendants,

-and-

MBIA INC.,

Nominal Defendant.

No. 08-CV-01515 (KMK) (GAY)

STIPULATION

WHEREAS, plaintiff filed a complaint on February 13, 2008, which alleged, among other things, that defendants breached their fiduciary duties;

WHEREAS, the claims asserted in this complaint were dismissed without prejudice on December 14, 2010.

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, that:

1. All applicable statute of limitations will be tolled and suspended as of December 14, 2010.
2. The parties waive any defense of any statute of limitations, which would otherwise arise while the limitations period is tolled.
3. The running of all applicable limitations periods will recommence on: (a) the date plaintiff files an amended complaint, if MBIA Inc.'s ("MBIA") Board of Directors or a committee of the Board rejects plaintiff's demand; (b) the date MBIA's Board or a committee of

the Board accepts plaintiff's demand; or (c) the date agreed to in writing by all parties to this stipulation.

4. No party waives any claims, rights, or defenses that may have existed on December 14, 2010, or that may arise after the recommencement of the running of the limitations period.

5. Nothing in this stipulation revives any claim that is barred as of December 14, 2010, by any applicable statute of limitations.

6. This stipulation shall not be offered into evidence in any action or proceeding except to prove that the statute of limitations was tolled for the period of time set forth in this stipulation.

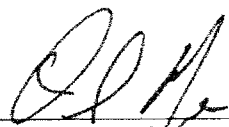
7. MBIA shall have until March 7, 2011, in which to respond to plaintiff's demand.

8. In the event that plaintiff's demand is rejected, plaintiff shall have 60 days from such rejection in which to file its amended complaint.

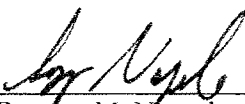
9. In the event that plaintiff files an amended complaint, defendants will have 60 days in which to respond to plaintiff's amended complaint.

Dated: February 8, 2011

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By: 
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MBIA Inc. through the Special
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Perry, John A. Rolls, Richard H.
Walker, Jeffrey W. Yabuki*

KOHN SWIFT & GRAF, PC

By:  _____

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Attorneys for Plaintiff

SO ORDERED: _____

U.S.D.J.

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Attorneys for Plaintiff

SO ORDERED:


U.S.D.J.

February 10, 2011
White Plains, NY